

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members
Only

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February Canners' Conference at Chicago Postponed

By a large majority, the Board of Directors and Administrative Council of the Association have approved postponement of the Processors Conference previously planned to be held in Chicago on February 4-6.

Following the recent statement by War Mobilization Director James F. Byrnes requesting cancellation of meetings of over 50 persons, President G. Sherwin Haxton consulted members of the Board and Administrative Council by telegram as to their views on holding the conference, pointing out the absence of specific requests from government agencies that a conference of processors be held and stating that arrangements were being considered for a meeting of the Board and Council to be held in Washington at approximately the same date as set for the Conference.

Government agencies have given assurance that they will make available for such a meeting the information on food production policies and programs originally planned, to be presented at the Chicago Conference. The arrangements for the Board and Council meeting contemplate the prompt publication of this information in the weekly INFORMATION LETTER so that it may be available to the entire industry.

Subsequent to the issuance of his first statement on conventions and meetings, the War Mobilization Director, through the Office of Defense Transportation, advised government agencies not to approve attendance of their representatives at meetings which would involve travel from Washington.

Whether or not it will be found desirable and necessary to hold at a later date such a Processors' Conference as was originally planned will depend upon developments in the food production program as revealed at and following the meeting of the Board of Directors and upon the Government's approval of such conference.

CONGRESS DISCUSSES BUDGET AND "WORK OR FIGHT" LEGISLATION; HOUSE HOLDS HEARINGS ON MAY BILL

President Roosevelt's budget message and the proposed "work or fight" law occupied top positions on the legislative calendar as the second week of the 79th Congress was brought to a close. The President asked Congress for \$83,000,000,000 with which to prosecute the war and to maintain civilian branches of the Government, and backing up a proposal of War Mobilization Director James F. Byrnes, the President called on Congress to enact a National Service Law. Agricultural appropriations asked for in the new budget total \$4,000,000,000—this amount Mr. Roosevelt said will be needed to aid farmers, to make government purchases for Lend-lease and overseas relief, and to support farm prices.

To assure continued production of agricultural commodities, the President said he recommended "appropriations for the Department of Agriculture, in-

cluding the War Food Administration, of \$512,000,000. Although this is considerably less than has been appropriated in the fiscal year 1945," he said, "the amount available, after adjustment for unused balances, reappropriations, and transfers, will not be substantially less than the amount being used for agricultural purposes in this fiscal year. The appropriations include provision for the Agricultural Adjustment Agency, the Soil Conservation Service, the Farm Security Administration, the exportation and domestic consumption of agricultural commodities, the administration of the Sugar Act, and research and other long-established functions of the Department of Agriculture."

Recommended expenditures for these agencies for the next fiscal year include: Lend-lease food and farm products, \$1,200,000,000; food purchases for

foreign relief (UNRRA), \$200,000,000; payments to farmers for using recommended soil conservation practices, \$300,000,000; school lunch and school milk program, \$50,000,000; payments to farmers for complying with the Sugar Control Act, \$48,446,000; for relief grants and loans to low-income farmers, \$23,000,000; for agricultural research, \$44,175,000; Forest Service, \$33,717,000; Soil Conservation Service, \$29,754,000.

The new agricultural budget requests an increase of \$2,000,000,000 in the borrowing authority of the Commodity Credit Corporation; an increase from \$72,000,000 to \$175,000,000 in the borrowing authority of the Farm Security Administration; and an increase from \$25,000,000 to \$150,000,000 in the borrowing authority for the Rural Electrification Administration.

House hearings are now being held by the House Military Affairs Committee on a "work or fight" bill introduced

by Chairman May. Army and Navy witnesses have recommended this bill and it is expected to reach the House floor in a short time.

The May Bill (H. R. 1119) is a stringent measure which would indirectly force all draft registrants between 18 and 45 in non-essential work into war work and would freeze present war workers in their war jobs. The bill, as noted, is not limited to 4-F's and the Director of Selective Service estimated that 18,000,000 men would be affected by the bill.

The indirect compulsion to get non-essential workers into war work would be accomplished by creation of a "labor battalion" under supervision and jurisdiction of the armed forces. Registrants who leave or refuse to take war jobs would be placed in the labor battalion for work wherever assigned. They would receive enlisted personnel pay but would not receive any of the dependency allotments and other benefits now accorded to members of the armed forces.

The proposed machinery for selection and use of the labor battalions contemplates that the Director of War Mobilization and Reconversion would certify to the Director of Selective Service that labor shortages exist in an industrial area. The Selective Service Director would be instructed to maintain a list of all deferred registrants who (1) are capable of doing the required work, (2) are not engaged in work "contributing to the war effort or being in support of the war effort," and (3) are persons "by reason of their status" can be transferred to other work with "the least disruption to the civilian economy and themselves in comparison with persons in other categories."

Upon certification of the labor shortage, the local draft board in the labor shortage area, or other areas if necessary, would then "request" registrants on the list to enter war work. If the registrant refused, he would be inducted into the labor battalion. Authorization by the War Mobilization Director would be required before the labor battalions could be used in work other than "activities under the direct jurisdiction" of the Armed forces.

While undesignated amendments are expected to be presented, it should be noted that the practical result of the bill would probably be that the local draft boards would apply the rather vague standards for determining whether a deferred registrant is to be placed on the list.

Representative Bradley of Michigan has introduced a resolution (H. Res. 47) proposing that an investigation be made by the House Merchant Marine

and Fisheries Committee of "the present system of taking, producing, canning, processing, marketing, transporting and distributing of fishery products from production areas through the various marketing agencies to the ultimate consumer, as it affects fishermen, producers, canners, processors, wholesalers, retailers, and consumers." The investigation would cover, among other subjects, the effectiveness of the present marketing system, the existence of adverse practices of processing and selling, conflicts between State, Federal and foreign fishery laws, development of the American fishing industry in American waters and parity treatment of fishery products with agricultural and other food commodities.

Another resolution (H. Res. 35) has been introduced by Representative Bland to continue the House Merchant Marine and Fisheries Committee investigation of the national defense program as it affects matters under the jurisdiction of the Committee. This investigation was authorized in the 77th Congress by H. Res. 281 on August 14, 1941.

Representative Peterson of Florida on January 9 introduced a bill (H. R. 1290) to repeal the transportation tax on "transportation of agricultural commodities, including milk and livestock, to a packing or processing plant or establishment."

Virginia Canner Dies

L. D. Johnson, President of the Virginia Cannery Association, died suddenly January 5 from a heart attack. Mr. Johnson was engaged in the canning business at Bedford, Va.

NPK and Copper Boost Yields

Sweet corn yields were greatly increased by applying 200 lbs. of 3-18-0 fertilizer and 5 lbs. copper sulphate to the acre along the rows in trials conducted near Beaver Dam. The fertilizer boosted total yields by 25 per cent and the yield of usable ears by 36 per cent, whereas the same fertilizer treatment plus copper sulphate raised the yield increases to 55 and 90 per cent, reports the Wisconsin Agricultural Experiment Station in Bulletin 463.

There is reason to believe that results would have been even better if the fertilizer and copper had been applied sooner after planting, but it was impossible to make the treatments before July 8 last year. Copper was the only "minor" element to show any benefit, zinc sulphate having no effect and magnesium sulphate slightly depressing yields.

Iowa State College Stresses Research on Canning Crops

As a result of a meeting of a research committee on raw products, the Iowa State College at Ames has decided to engage a full time canning crop specialist and to intensify its research on sweet corn, tomatoes, and other crops for canning. The committee, which met last month in Ames, Iowa, outlined the following program for Iowa State College:

1. A full time canning crop specialist will be added to the college staff. His time is to be divided between the Research and Extension Departments, in service to canners.

2. Sweet corn—Hybrid variety testing will be continued on a somewhat larger scale; the present breeding work will continue, and cooperative cultural work will be carried on with interested canners.

3. Tomatoes—Variety testing work will be carried on; the present breeding work will be carried on and the program enlarged, with special attention being given to disease resistant varieties; a fellowship pathologist will be attached to the Horticultural Department; and cooperative cultural work will be carried on with interested canners, emphasis to be placed on direct seeding, variety testing, fertilizing, spraying, dusting, etc.

4. Other crops—Special attention will be given to plant breeding, insect control, etc., for pumpkin, peas, and beans.

5. New canning crops—Studies will be conducted with a view to the development of new canning crops. Among the suggested items were: Carrots, beets, sweet potatoes, and some varieties of fruits. Experimental processing tests will be conducted on several varieties of these items which will be grown to determine those best adapted to our climatic conditions.

6. Engineering department—The College Engineering Department will do whatever it can to assist canners in developing mechanical sweet corn pickers. There is a demand for these machines and one or two canners have already conducted some experiments with machines now on the market as green corn harvesters.

Members of the research committee include Howard Miller of Vinton, Iowa; Verne Filbert of Marshalltown, Iowa; and Oliver Stevenson of Nebraska City, Nebraska. They met with Director Buchanan, Professor Dickett, and Dr. Haber of Iowa State College and officers of the Iowa-Nebraska Cannery Association and Mr. Cordt of the Marshall Canning Company.

Reusswig Succeeds Vaughn

E. Norton Reusswig, of Ho-Ho-Kus, N. J., has been named procurement specialist in charge of the field force of 50 to 60 government buyers who procure all the canned foods for the Army, Navy, Marine Corps, Veterans Administration, War Shipping Board and War Food Administration, the Office of the Quartermaster General has announced.

Mr. Reusswig, who has been with the Office of the Quartermaster General since February, 1943, succeeds William E. Vaughn who has resigned to return to the New York City office of the American Can Co., of which he was an official before coming to Washington.

Mr. Vaughn was loaned to the Government in March, 1942, as a food consultant to the Secretary of War and was in charge of canned food procurement from March, 1944. It was under his direction that the largest canned food procurement program ever attempted by the Government was conducted.

Mr. Reusswig, 46, is a graduate of Amherst College of Amherst, Mass. For 17 years before joining the Office of the Quartermaster General, he was a partner in the New York City food brokerage firm of Lestrade Bros. Prior to that he had been actively engaged for 12 years in the food canning business in New York State.

Mr. Reusswig will be assisted in his new post by Capt. Charles Ingram, who for the past two years has been attached to the Chicago Quartermaster Depot.

Canned Green Beans Offered

War Food Administration is offering for sale to the original processors approximately 163,516 cases of canned green beans from the 1942 and 1943 pack. These lots are part of a total of 400,000 cases which are being offered to the civilian trade as grade and condition are determined.

Many of the lots now being offered have been offered previously to both the original and competitive canners, but because of a change in the terms and conditions of sale, the whole list is being re-offered to the original processor. The beans are for sale as follows:

3,479 cases (24/2's), cut green flat, Extra Standard at Baltimore and Salisbury, Md.; 5,000 cases (24/2's), cut green flat at Preston, Md.

5,554 cases (6/10's), cut green flat, Extra Standard at Baltimore, Md.; 12,720 cases (6/10's), cut green flat, Standard at Preston, Md.

1,594 cases (6/10's), cut green semi-round, Standard at Camden, N. J.

1,200 cases (6/10's), cut wax, Standard at Washington, D. C.

39,000 cases (24/2's), cut green round, Standard at Albany, Ga., Savannah, Ga., Waverly, N. Y., Memphis, Tenn., Louisville, Ky., Philadelphia, Pa., Richmond, Va., and Salisbury, Md.; 22,300 cases (24/2's), cut green round, Extra Standard at Richmond, Va., Louisville, Ky., Houston, Tex., Memphis, Tenn., Roanoke, Va., and Savannah, Ga.

16,044 cases (6/10's), cut green round, Extra Standard at Memphis, Tenn., Richmond, Va., and Mt. Airy, Md.; 7,846 cases (6/10's) cut green round, Standard at Richmond, Va., Louisville, Ky., Memphis, Tenn., Philadelphia, Pa., and Harrisburg, Pa.

3,407 cases (24/2's), cut green round, Extra Standard at Salisbury, Md., and Mt. Airy, Md.

2,695 cases (24/2's), cut green, Extra Standard at Houston, Tex.; 9,074 cases (24/2's), cut green, Standard at Houston, Tex., Savannah, Ga., and St. Louis, Mo.

20,618 cases (6/10's), cut green at Houston, Tex., St. Louis, Mo., and Washington, D. C.; 11,464 cases (6/10's), Extra Standard at St. Louis, Mo., Louisville, Ky., and Houston, Tex.

California Sardine Pack

Deliveries of California sardines to processing plants during the season ending December 30, 1944, totaled 484,735 tons. Pack of sardines for the season to December 30, 1944, was 3,043,986 cases. The following table shows the sardine deliveries by districts and the pack by can sizes for the 1944 season as compared with 1943:

	Season to Dec. 30, 1944	Season to Dec. 31, 1943
Tonnage:	Tons	Tons
Northern district.....	127,277	111,583
Central district.....	214,931	179,904
Southern district.....	142,527	98,728
Total.....	484,735	390,215
Pack:	Cases	Cases
1-lb. oval.....	1,185,809	1,110,690
1-lb. tall.....	1,717,259	1,362,043
1/2-lb. fillet.....	4,327	17,106
1/2-lb. round, 96's.....	51,088	72,285
5-oz., 100's.....	6,970
Miscellaneous.....	84,813	49,826
Total.....	3,043,986	2,518,929

Draft Regulations Tightened

Men who leave the jobs for which they were deferred without the consent of their local boards will be inducted into the Army, National Headquarters of Selective Service has announced. Local boards of the Selective Service System have been instructed by National Headquarters promptly to reclassify men who change jobs without satis-

fying their local boards that the change will result in a greater contribution to the war effort. The boards were informed that Army physical standards to be applied to these men will be drastically lower than those under which men are inducted for general military service. Selective Service officials said the action will make more effective the manpower directive recently announced by the Office of War Mobilization and Reconversion.

Hereafter, it was explained, local boards will be directed to call for induction not only specified numbers of men for general military service, but at the same time specified numbers of men who do not meet the physical standards for general service, but who are acceptable for military service under the lower standards because they left the jobs for which they were deferred without local board permission.

Selective Service officials pointed out that men in the 18 through 37 age group are equally liable for service in the armed forces under the Selective Training and Service Act, that deferments are granted not for the benefit of the individual, but in the interest of the nation as a whole—and that national welfare demands strict interpretation of the provisions of the Act that no deferment shall continue when the reason for the deferment ceases to exist.

Association Thanked for Aid

The Association has received from the District of Columbia War Finance Committee a letter thanking it for the contribution it made to the Sixth War Loan Drive. The letter said that it was very gratifying to have Washington over-subscribe its quota at such an early date in the Drive, and that the national corporations were very instrumental in making this possible.

State Convention Dates

Canners League of California—February 27, Palace Hotel, San Francisco.

Georgia Canners Association—January 17 and 18, Hotel DeSoto, Savannah, Ga.

Ozark Canners Association—February 15 and 16, Colonial Hotel, Springfield, Mo. (Changed from December 8, 1944.)

Tennessee-Kentucky Canners Association—February 19 and 20, Andrew Jackson Hotel, Nashville, Tenn.

Utah Canners Association—January 10 (Business Meeting), Ogden, Utah.

Virginia Canners Association—February 27 and 28, Hotel Roanoke, Roanoke, Va.

OPA and CCC Must Recognize Wage Increases on Canned Food Pack

The Office of Economic Stabilization Director, in Amendment 1 to Directive 25, has ordered the Office of Price Administration to estimate authorized wage increases which should be added to processors' prices for the 1944 pack of processed fruits and vegetables. The amendment, which became effective January 11, 1945, modifies an OES Directive of April 6, last year. Official text of the amendment follows:

1. The Office of Price Administration is hereby authorized and directed to compute the increased costs of the 1944 processed pack of fruits and vegetables which result from wage increases to processors' employees approved by the War Labor Board and not taken into account in establishing maximum prices under Directive No. 25, and to increase the maximum prices for sales to government procurement agencies by amounts equal to the increased wage costs which it determines to be allocable to the fruits and vegetables thus sold.

2. The Commodity Credit Corporation is hereby authorized and directed to absorb those increased costs of the 1944 processed pack of fruits and vegetables resulting from such wage increases as the Office of Price Administration determines to be allocable to fruits and vegetables sold to purchasers other than government procurement agencies, but only in an amount necessary to equalize the percentage of any processor's net returns (before taxes) to sales from his fruit and vegetable processing operations during the 1944 season, with the weighted average percentage of net profit (before taxes) to sales for those operations for the fiscal years most nearly corresponding to the pack years 1940 and 1941, of a group of processors found by the Office of Price Administration to be representative of the industry as a whole; provided that:

(A) If the salaries of officers or owner-operators have been increased by more than 10 per cent of the average 1936-1939 salaries of such officers or owner-operators, the amount of such increases in excess of 10 per cent shall be deducted from the amount otherwise to be absorbed by the Commodity Credit Corporation, and

(B) Cooperative associations which normally do not compute profits shall, for purposes of justifying claims, submit a calculation of profits that would have been made if the raw product had been purchased at support prices (if support prices for such products have been established), and at prices paid by other local or nearby processors during the processing season for other fruits and vegetables.

3. In order to be eligible for payments under this directive, processors must first certify that they have increased their wages only in accordance with the order or approval of the War Labor Board and that they have not sold products at prices in excess of the ceilings established by the Office of Price Administration.

Ratings No Longer Required to Purchase Canning Machinery

Food processing machinery may be made available now to any person on an unrated order, the War Production Board has announced. An amendment to the food processing machinery order, L-292, issued January 6, removed the restriction requiring an AA-5 or better rating for purchase of such equipment.

However, priorities assistance, if required, will be available for the procurement of equipment necessary to the maintenance of existing operations and the expediting of War Food Administration programs. In these instances, applications for preference ratings will be filed with the nearest WPB field office on form WPB-541 or, where construction is involved, on form WPB-617. The use of special application forms WPB-576, WPB-748 and WPB-3155 has been discontinued.

Concurrent with the amendment to Order L-292, Orders P-115, controlling the distribution of canning machinery, and P-118, controlling the distribution of dairy and poultry machinery, have been revoked, inasmuch as the main provisions of these orders are included in the amended L-292.

The elimination of the rating floor from the sale of food processing machinery does not in any way affect production quotas established for this equipment, WPB officials explained.

Canned Olive Oil Prices

By Amendment 39 to Maximum Price Regulation 53, issued January 5 by the Office of Price Administration, the prices for canned olive oil were established as follows: \$8.00 per dozen for pints and \$4.50 per dozen for 8-oz. cans.

No Import Controls on Tuna

The War Food Administration is taking action to remove canned tuna and bonito from import control under War Food Administration Order 63. The action is in line with the general policy of easing or removing restrictions on

food commodities whenever the supply, shipping and strategic consideration permits. In view of the pending action all applications for authorization to import canned tuna and bonito will be granted.

Refrigerator Cars Restricted

Taylor's Interstate Commerce Commission Order 326, effective 12:01 a.m., January 16, and continuing until 12:01 a.m., January 26, prohibits the loading of canned or preserved foodstuffs (not cold pack), bottled beer, and other bottled malt liquors or bottled wine in R.S. type refrigerator cars. General Permit 1 issued concurrently exempts canned milk entirely and other commodities when consigned to armed forces. Taylor's Order 219 is suspended while Order 326 is in effect. Order 219, which became effective November 15, permitted the use of refrigerator cars for the shipment of canned foods in all but 14 States (see INFORMATION LETTER 1000, page 8420).

Lindsey Accepts New Post

Carroll E. Lindsey, past president of the National Cannery Association, has succeeded the late Harry L. Cannon as a member of the Advisory Committee of the Cannery Exchange Subscribers at Warner Inter-Insurance Bureau, Chicago, Ill.

Bulletin on Cabbage Diseases

A new edition of a bulletin discussing diseases of cabbage and related plants has been published by the U. S. Department of Agriculture entitled "Diseases of Cabbage and Related Plants," Farmers Bulletin 1439.

New Ceilings for Cod Flakes

An increase of 70 cents per dozen 14-oz. cans has been permitted canners of cod and haddock flakes by the Office of Price Administration. The increase, less than 6 cents per can, is designed to reflect the increased cost of the raw material during the winter season and to enable canners to process cod and haddock flakes during the off-season of production, OPA said.

The new ceilings, established by Amendment 1 to Maximum Price Regulation 537, effective January 11, apply only to sales of this pack made on or before April 1, 1945, to the Navy Department. The Navy's urgent need for these products, with no available stock on hand, necessitated this action, the OPA stated.